



February 25, 1999

## HOUSE BILL No. 1444

DIGEST OF HB1444 (Updated February 23, 1999 11:57 am - DI 94)

**Citations Affected:** IC 5-22.

**Synopsis:** Contracting out government services. Provides that a solicitation for a contract between a governmental body and a contractor to perform any of the functions of the governmental body currently performed by the governmental body's employees must: (1) require offerors to provide objective, verifiable evidence satisfactory to the governmental body that if the offeror is awarded a contract, the cost of the contract over the term of the contract will be less than the cost to the governmental body of performing the functions covered by the contract with the governmental body's employees over the term of the contract; and (2) that the contract must include a provision that the governmental body may not pay to the contractor during the term of the

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**Effective:** July 1, 1999.

**Dickinson, Liggett**

January 19, 1999, read first time and referred to Committee on Local Government.  
February 24, 1999, reported — Do Pass.

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contract more than the contractor determined the governmental body would have spent to perform the functions under the contract with the governmental body's employees over the term of the contract. Provides that an offeror for such a contract may not be considered responsive if the offeror does not provide the required evidence. Requires such contracts to contain the provisions required by the solicitation.

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February 25, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

## HOUSE BILL No. 1444

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-22-5-8 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 1999]: **Sec. 8. (a) This section applies to a solicitation for a**
- 4 **contract that requires the contractor to perform any of a**
- 5 **governmental body's functions currently performed by the**
- 6 **governmental body's employees.**
- 7 **(b) The solicitation must include the following:**
- 8 **(1) A requirement that the offeror must provide objective,**
- 9 **verifiable evidence that:**
- 10 **(A) is satisfactory to the governmental body; and**
- 11 **(B) demonstrates that if the offeror is awarded a contract,**
- 12 **the cost of the contract over the term of the contract will**
- 13 **be less than the cost to the governmental body of**
- 14 **performing the functions covered by the contract with the**
- 15 **governmental body's employees over the term of the**

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1 contract.

2 (2) A statement that the contract between the governmental  
3 body and the offeror must contain a provision that the  
4 governmental body may not pay to the offeror over the term  
5 of the contract more than the offeror determined the  
6 governmental body would have paid to perform the functions  
7 under the contract with the governmental body's employees  
8 over the term of the contract.

9 SECTION 2. IC 5-22-16-7 IS ADDED TO THE INDIANA CODE  
10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
11 1, 1999]: Sec. 7. (a) This section applies to a solicitation for a  
12 contract that requires the contractor to perform any of a  
13 governmental body's functions currently performed by the  
14 governmental body's employees.

15 (b) An offeror may not be considered responsive to the  
16 solicitation if the offeror does not provide objective, verifiable  
17 evidence:

18 (1) satisfactory to the governmental body; and

19 (2) that if the offeror is awarded a contract, the cost of the  
20 contract over the term of the contract will be less than the cost  
21 to the governmental body of performing the functions covered  
22 by the contract with the governmental body's employees over  
23 the term of the contract.

24 SECTION 3. IC 5-22-17-14 IS ADDED TO THE INDIANA CODE  
25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
26 1, 1999]: Sec. 14. (a) This section applies to a contract that requires  
27 the contractor to perform any of a governmental body's functions  
28 currently performed by the governmental body's employees.

29 (b) A contract must contain the provision described in  
30 IC 5-22-5-8(b)(2).

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1444, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

STEVENSON, Chair

Committee Vote: yeas 7, nays 4.

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